

**Testimony of the Connecticut Resources Recovery Authority,
Before the Program Review & Investigations Committee
Re: STAFF BRIEFING ON MUNICIPAL SOLID WASTE
MANAGEMENT SERVICES IN CONNECTICUT
October 8, 2009**

Good afternoon, Senator Kissel, Representative Mushinsky and members of the Program Review and Investigations Committee. My name is Tom Kirk and I am the President of the Connecticut Resources Recovery Authority and we thank you for the opportunity to speak today regarding this draft report entitled "Municipal Solid Waste Management Services in Connecticut" and all of the issues it encompasses.

CRRA looks forward to continuing to work with Program Review and Investigations Committee staff and legislators on this topic facing Connecticut and its towns, residents and businesses. CRRA believes this staff briefing is a very good overview and description of the existing solid waste systems here in the state. We look forward to the final report of findings and recommendations.

As this report points out and you are probably aware, Connecticut's solid waste management system is currently in the midst of a significant transition. Some publicly-owned trash-to-energy facilities are converting to privately owned facilities due to contracts created and signed more than twenty years ago. Fortunately, CRRA's Mid-Connecticut Project Trash-to-Energy facility located here in Hartford will remain under public control for the benefit of the towns and their residents' indefinitely.

With private control of disposal capacity increasing, no additional trash-to-energy facility capacity available, and no more landfills, the state has surrendered the free market for disposal, both price control and disposal access, to two private facility owners. The resulting oligopoly and lack of competition allow the private owners of these facilities to command a high price for disposal in this supply constrained market. There is essentially no disposal competition, excepting the shipment of waste to distant out-of-state landfills. CRRA's ability to keep the price paid by towns and residents reasonable is limited by the fraction of capacity we control. One way to address this issue may be for the state to consider utility style regulation of these privately owned trash-to-energy systems and their disposal fees.

In the field of recycling, please know that CRRA is effectively reducing the volume of MSW by expanding recycling participation and per capita contributions through its single-stream recycling initiatives, providing recycling rebates to Mid-Connecticut Project towns, educating the public about the benefits of recycling through its educational facilities in Stratford and Hartford, and promoting beneficial re-use and other recycling initiatives.

If the state of Connecticut is to reach DEP's aggressive recycling goal of 58% by 2024, the state will need to commit modest resources to make any real gains to the current recycling rate of 30%.

Finally, we would like to point out that the solid waste assessment ("dioxin tax") of \$1.50 per ton of MSW should be applied to all MSW, not just MSW delivered to trash-to-energy plants. By allowing MSW that is shipped out-of state to a landfill and to avoid paying the fee creates a perverse incentive to utilize less desirable disposal options, and financially punishes towns and residents who manage their waste in the preferred manner.

As you examine these MSW issues, please note that disposal prices often quoted by privately-owned trash-to-energy facilities can be misleading. Disposal fees may or may not include the costs of transportation, loading, transfer station operations, recycling processing, future liability protection, taxes, host fees etc. as well as the actual disposal of trash. It is important to examine each "disposal fee" in a comprehensive manner to be sure that one is comparing apples to apples.

CRRA's mission is to work for – and in – the best interests of the municipalities. We are busy preparing the Authority to continue that work and seamlessly transfer from the public ownership of capacity model to Private ownership where applicable. Further we are diligently working to optimize the efficiency, and effectiveness of the State owned public assets, most prominently the Mid Connecticut System assets. CRRA is well positioned to provide a significant portion of the necessary disposal and recycling capacity to the state in meeting the difficult challenges of environmentally sound waste disposal and recycling for the coming decade.

Thank you for the opportunity to testify today and we look forward to working with the Program Review and Investigations Committee and the entire General Assembly on this issue. I would be happy to try to answer any questions.

Respectfully Submitted,

A handwritten signature in dark ink, appearing to read "T. D. Kirk", written in a cursive style.

Thomas D. Kirk
President
Connecticut Resources Recovery Authority